

CALIFORNIA CONSUMER POWER AND CONSERVATION FINANCING AUTHORITY

ENERGY FINANCING INDUSTRIAL DEVELOPMENT BOND PROGRAM

2003 APPLICATION FORM

Please note:

- *Funding may only be used for capital improvements, not for raw materials, R & D “working Capital,” nor salaries.*
- *Please refer to the Frequently Asked Questions and Program Information Documents on the CPA website (www.cpowerauthority.ca.gov/News/IDB.htm)*
- *It is the applicant’s responsibility to read and provide all information requested in the Application document.*
- *Remember to remit your non-refundable application fee of \$1,250 with this application.*

You may add more lines, as needed, to complete your answers.

PART 1 – BORROWER INFORMATION

A. CONTACT INFORMATION:

Name of Borrower:

Address:

City:

State:

Zip:

Contact Person:

Title:

Phone Number:

Fax Number:

Email Address:

Borrower’s Federal Tax Identification Number:

B. BUSINESS INFORMATION:

1. Description of Borrower's Business:

Products Manufactured:

SIC Code:

2. Description of present physical facilities, including size and use of facility:

3. Does the Company have other locations in California? If yes, where?

4. Does the Company have locations in other states? If yes, where?

5. Names of major customers (basis for revenue projections, see Part 5):

6. Describe ownership Structure (i.e., corporation, partnership, sole proprietorship, etc.) and date and place of establishment:

7. The Limit on the amount of bond funds is \$10 million per jurisdiction; see instructions for other factors that can effectively lower this limit.

Have industrial development bonds or their tax-exempt financing previously been issued for the Company or a related company? If yes, please provide the following:

Date Issued: _____ Amount \$ _____ Balance: \$ _____

PART 2 – PROPOSED PROJECT INFORMATION

A. PROVIDE A DESCRIPTION OF THE PROJECT: Also specifically state under which of the two general categories of eligible borrowers outlined under California Power Authority Eligibility Criteria and Restrictions section of the Application Instructions the project qualifies.

1. Category:
2. Description:
3. List all local, state, federal, and/or regulatory approvals, permits, and any other approvals that the project requires. Have all approvals been secured? If yes, please provide appropriate documentation. If no, state when such approvals will be secured.
4. Please provide a realistic project schedule, including all project milestones as appropriate, such as: any approval processes noted above, bid solicitation, contract negotiation and award, equipment delivery, construction/installation, completion.
5. Please indicate the expected energy benefits in the project description and verify in Part 6.

For Category 1 Borrowers: (General Manufacturing)

1. Address / Location of Project:
2. State what type or types of Eligible Equipment and/or Technologies will be acquired with the proceeds of the bonds. If available, attach product literature.
3. What is the useful life of the equipment or technology to be funded?
4. Please state:
 - a) the current energy consumption and purchased energy costs of the Project facility; and,
 - b) the projected energy consumption and purchased energy costs of the facility after the Project is completed.
5. Please state:
 - a) the percentage of the Project facility's total energy use that is currently served by clean/renewable sources; and,
 - b) the percentage of the facility's total energy use that will be served by clean/renewable sources upon completion of the Project.
6. Provide an energy audit report and /or a feasibility study prepared by an energy consultant, utility company, or a professional engineer to verify the expected energy savings or benefits (see also Part 6)

For Category 2 Borrowers: (Clean Energy Technology Manufacturers)

1. Please provide a description of the product to be manufactured. Also, please see the end of application for treatment of confidential business information.

2. Provide a Business Plan including your target market and its size (in California, U.S.A. and worldwide) basis for sales projections, names of competitors, products comparison, estimated product market price, management team, marketing strategies, and any indications of firm purchase commitments/orders.

3. Provide a market analysis of existing and future market size, existing and future competitors, and your cost competitiveness.

4. Provide information regarding the technology's commercial status, availability, end-users' perception, potential barriers (such as cost, competition, marketing issues, or regulatory factors)

5. State what renewable energy components or systems, or clean distributed generation systems or components, you manufacture.

6. Please indicate 1) what the company's present production capacity is for the systems/components noted above, and 2) what the company's production capacity for these systems/components will be upon completion of the Project?

7. If the items manufactured are components, in what clean/renewable system are they used? In what other types of systems can they be used?

B. PROJECT FINANCE PROPOSED: Itemize specific major equipment and list cost for each piece of equipment.

1. Project Costs:	Amount to be paid from bond proceeds:	Amount to be paid from other Sources (see # 2 below):
Acquisition and Installation of New Equipment		
Engineering/Architectural/Other Professional Services		
Legal, Permits, etc.		
Utilities Connections		
Rehabilitation of Existing Building		
Interest During Construction From _____ to _____		
Bond Issuance Costs (allow 2% of total bond amount)		
<i>If applicable:</i>		
Acquisition of Land		
Acquisition of Existing Buildings		
Fees and Other Charges Related to Sale		
Site Preparation		
Construction of New Building		
Other (explain)		
TOTAL	\$ _____	\$ _____

2. What sources of funds other than bond proceeds will be used for the Project?

3. Please provide a monthly schedule of the expenditure of the bond proceeds.

4. Please provide a pro forma financial analysis of the Project's payback period.

5. Does the Project involve relocation of a facility within the State of California? If yes, will the Borrower or user retain its current employees at the new location? Is the relocation necessary to prevent the relocation of substantial operations of the company outside the State or the abandonment of substantial operations of the company?

C. PROJECT TEAM: Provide names, project responsibilities, previous experience, and other qualifications of key personnel.

PART 3 – FINANCE TEAM INFORMATION

Name of Financial Advisor:

Address:

City:

State:

Zip:

Contact Person:

Title:

Phone Number:

Fax Number:

PART 4 – PROPOSED TRANSACTION STRUCTURE

1. What is your proposed amortization period for this loan?

2. Briefly describe your proposed credit enhancement structure (e.g. letter of credit, equity, corporate guarantee, other collateral) or any anticipated private placement transaction. Attach a commitment letter from the credit enhancer or private placement purchase contract, if you have already obtained this.

3. Letter of Credit Bank or Private Placement Agent:

Contact Person:

Title:

Phone Number:

Fax Number:

4. Anticipated Bond Ratings (if known):

Standard & Poor's:

Moody's:

Fitch:

5. Indicate the amount and proposed terms of any taxable bonds to be issued in conjunction with the proposed tax-exempt bonds.

PART 5 – FINANCIAL INFORMATION

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1. Please attach your company's financial statements for the last three years, and provide summary financial information for the last three years below:

Year	_____	_____	_____
Gross Revenues	_____	_____	_____
Net Income	_____	_____	_____
Stockholders' Equity (or equivalent)	_____	_____	_____

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2. Provide the basis for your revenue projections, i.e., customers and firm commitments evidenced by contracts for sale and /or previous sales history.

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3. For Category 2 Borrowers, please indicate the company's clean energy technology sales in California over the past three years as a percentage of your total sales for this equipment.
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PART 6 – PUBLIC BENEFIT (SEE ALSO PART 2)

Please verify the expected energy benefits associated with the project as described below and referenced in Part 2.

Category 1 energy efficiency projects, please quantify the performance/energy savings expected to result from the Project.

As appropriate:

State benefit in terms of energy consumption per unit of output as compared with equipment/technology currently in use.

Provide a written estimate of the Project's expected annual energy savings from a utility company, energy consultant, or professional engineer.

Category 1 renewable energy projects, please provide an estimate of renewable energy use as percentage of total energy use at the facility before and after the Project.

Category 2 projects, quantify the increase in total clean energy manufacturing capacity at the Project facility and company-wide resulting from the Project.

PART 7 – EMPLOYMENT CREATION/RETENTION

Current:

Number of employees statewide:
Number of employees at Project site:

Total Payroll:
Total Payroll:

Estimated within two years of Project completion (Please provide a good faith estimate based on realistic assumptions):

Number of employees statewide:
Number of employees at Project site:

Total Payroll:
Total Payroll:

Will the completion of the Project enable the Company to retain jobs that would otherwise be lost? If yes, please describe in detail.

PART 8 – COMMUNITY ECONOMIC NEED (FOR DATA PURPOSES)

The **sub county** unemployment rate and the statewide unemployment rate for 2001 may be found at the state Employment Development Department website, which you can find at:
<http://www.calmis.cahwnet.gov/FILE/LFHIST/01AASUB.TXT>.

The **census tracts**, county poverty rates, and the statewide poverty rate may be found at the federal Census Bureau website <http://www.census.gov>.

To identify census tracts for a specific project, you can look up Census tracts by street address and find the poverty rate for the each Census tract: <http://tier2.census.gov/cgi-win/ctsl/ctslzip.exe>.

So far detailed poverty rates at the county level and lower is only available from the 1990 Census.

2001 average unemployment rate for **County sub-area** in which Project is located:

Estimated poverty rate for each federal **census tract within a 1-mile radius** are of the Project site (based upon most recent data available from the U.S. Bureau of the Census):

PART 9 – LEGAL QUESTIONS

For purposes of the following questions, the term “Applicant” shall include, in addition to the entity itself, officers, directors, principals and senior executives if Applicant is a for profit or not-for-profit corporation or affiliate, or partners if Applicant is a partnership, or members or managers if Applicant is a limited liability company. The term “Applicant” shall include both Applicant and Project Sponsor.

If a separate sheet is used to respond to the following questions, the sheet shall be labeled **ATTACHMENT (QUESTION NUMBER[S])**.

1. Has the Applicant filed for bankruptcy, defaulted on a loan or been foreclosed against in the past 10 years? If so, please explain.

2. Is the Applicant currently a party to any civil litigation, including, but not limited to, the U.S. Securities and Exchange Commission, which may materially affect the financial condition of the Applicant’s business? If so, please explain.

3. Have there been any administrative or civil settlements or judgments against the Applicant within the prior ten years which materially affected the financial condition of the Applicant’s business?

If so, please explain and state the amount.

4. Is the Applicant currently subject to any civil proceeding or investigation by a licensing or accreditation agency or by a state or federal taxing authority? In the last 10 years, has the Applicant been subject to any civil proceeding or investigation by a licensing or accreditation agency or by a state or federal taxing authority that resulted in a settlement, decision, or judgment? If yes to either question, please explain.

5. Is the Applicant currently subject to any criminal litigation, which may materially affect the financial condition of the Applicant’s business? If so, please explain?

6. Is the Applicant currently subject to any criminal proceeding or any investigation by a licensing or accreditation agency or by a state or federal taxing authority? In the last 10 years, has the Applicant been subject to any criminal proceeding or investigation by a licensing or accreditation agency or by a state or federal taxing authority that resulted in a settlement, conviction, decision, or judgment? If yes to either question, please explain.

7. Have there been any criminal settlements, convictions, or judgments against the Applicant within the prior ten years, which materially affected the financial condition of the Applicant’s business?

If so, please explain and state the amount.

8. Within the last ten years, has the Applicant been convicted of any felony?

Within the last ten years, has the Applicant been convicted of any misdemeanor related to the program to which the Applicant is applying or any financial or fraud related crime (e.g. embezzlement)?

If so, please explain.

PART 10 – PROPERTY QUESTIONS

This PART is to be completed if bond proceeds will finance the acquisition of property.

1. Name of Property Seller:

Business Street Address:

City:

State:

Zip code:

Telephone number:

2. Principals, business addresses and telephone numbers of each partner comprising the Seller:

3. When is sale of property expected to close escrow?

Prepared by:

Attested to by Authorized Officer:

Printed Name:

Signature:

Title:

Date:

Applicant hereby acknowledges that information submitted to the CPA in this Application or supplemental hereto may be subject to the Public Records Act or other disclosure. Applicant further acknowledges that the CPA may make such information public. The CPA will maintain as confidential certain financial information, (such as business plans) but cannot guarantee confidentiality. Any such material should be clearly labeled as “confidential Business Information” and submitted as physically separate attachments or documents.

Applicants further agrees to hold the CPA, its members, officers, agents, and employees harmless from any matters arising out of or related to the award Allocation or the award process.

Signature of Applicant

Title

Print Name

Date